GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industrial Promotion - Simplifying the procedure of releasing the incentives to industries by RTGS/NEFT under Industrial Investment Promotion Policy (IIPP) 2010-15 – Amendment -Orders - Issued.

INDUSTRIES AND COMMERCE (POLICY AND INVESTMENT) DEPARTMENT

G.O.MS.No. 67 Dated: 10-05-2016

Read the following

1. G.O.Ms. No. 162, Ind. & Com (IP) Dept., Dated. 04-12-2013.
2. From the Director of Industries, Single file No.30/01/2015/0959, dt:nil.

ORDER:

In the G.O. 1st read above, Government have issued orders simplifying the procedure of releasing the incentives to industries by RTGS/NEFT under IIPP-2010-15.

2. In the reference 2nd read above, the Director of Industries, Andhra Pradesh, Hyderabad has requested the Government to issue certain amendments annexure to G.O. Ms. No. 162, Ind. & Com. (IP) Dept., Dated. 04-12-2013 in order to process the claim application of the Small and Medium Enterprises at District level.

3. Government after careful examination hereby amend the annexure to G.O. Ms. No. 162, Ind. & Com. (IP) Dept., Dated. 04-12-2013 as follows:

AMENDMENTS

For	Read as
Para 24.3 Disbursement of funds: In respect of SLC sanction the General Managers after receipt of individual proceedings preceded by consolidated proceedings shall obtain an agreement bond in prescribed proforma, advanced stamped receipt and assignment letter and forward the same in original to the Commissioner of industries after satisfying himself on the physical verification that the Enterprise / Industry is working continuously, the assets are intact and there is no change in the management, no change of financial institution and also the Enterprise/ Industry complying with the conditions, if any, imposed in the consolidated proceedings.	In respect of SLC sanction **for large industries & Mega Projects,** the General Managers after receipt of individual proceedings preceded by consolidated proceedings shall obtain an agreement bond in prescribed proforma, advanced stamped receipt and assignment letter and forward the same in original to the Commissioner of industries after satisfying himself on the physical verification that the Enterprise / Industry is working continuously, the assets are intact and there is no change in the management, no change of financial institution and also the Enterprise/ Industry complying with the conditions, if any, imposed in the consolidated proceedings.
Para 24.5 Disbursement of funds: In case of disbursements of Reimbursements of Stamp duty and Transfer duty, rebate in land cost in IEs/IDAs, Power consumption charges, Commercial Tax, such reimbursement amounts will be paid to the industrial Enterprises concerned, in favour of the Enterprise/Industry through RTGS/NEFT to account. The GM, DICs on receipt of the individual proceedings shall obtain a self certification, utilization certificates in	In case of disbursements of Reimbursements of Stamp duty and Transfer duty, rebate in land cost in IEs / IDAs, Power consumption charges, Commercial Tax, such Reimbursement amounts will be paid to the industrial Enterprises concerned, in favour of the Enterprise / Industry through RTGS / NEFT to account. **The GM, DICs on intimation of the individual proceedings to the unit,** shall obtain a self certification, utilization

prescribed proforma and advanced stamped receipt from the Enterprise/Industry and forward the same in original to the Commissioner of Industries after physically verifying the running of the Enterprise/Industry.	certificates in prescribed proforma and advanced stamped receipt **in original** from the Enterprise / Industry and **process the same for disbursement of the amount** after physically verifying the running of the Enterprise / Industry.
Para 24.6 Disbursement of funds: Government will allocate the funds for disbursement of incentives under the scheme. The funds so allocated will be drawn and kept in the P.D. Account of Commissioner of Industries.	Government will allocate the funds for disbursement of incentives under the scheme. The funds so allocated will be drawn and kept in the P.D. Account of **District Industries Centre in respect of Micro, Small & Medium Enterprises and in respect of Large Industries & Mega Projects, the funds will be drawn and kept in the P.D. Account of Commissioner of Industries.**
Para 24.7 Disbursement of funds: The disbursements are made in a bunch of cases through consolidated Proceeding separately for SLC sanctions and DLC sanctions observing the chronological order of such meetings held. The consolidated proceedings indicating the name of the industry, amount Sanctioned and amount released to the Accounts Officer, O/o. Commissioner of Industries.	The disbursements are made in a bunch of cases through consolidated Proceeding separately for SLC sanctions and DLC / DIPC sanctions observing the chronological order of such meetings held. The consolidated proceedings indicating the name of the industry, amount Sanctioned and amount released to General Manager, District Industries Centre in respect of Micro, Small and Medium Enterprises by the Collector & Chairman of DLC /DIPC. The Commissioner of Industries & Chairman of SLC will issue Consolidated Proceedings to the Accounts Officer, O/o. Commissioner of Industries in case of large industries. The disbursements will be made to Term Loan account of the Financial Institution which sanctioned the loan for adjusting the outstanding dues. Where ever there is no outstanding in the loan account, the Financial Institution is permitted to transfer the balance subsidy amount to working capital loan account of unit holder after due adjusting the outstanding loan amount to facilitate for smooth running the Enterprise/Industry as per procedure of the concerned Bank from time to time. Where ever this facility is not available to certain Banks, the incentives/subsidy amount will be released to a non-operative savings account where the Banker / Financial Institution is advised to adjust the released amount to settle the outstanding dues of the loan account and the balance can be transfer to working capital loan account of the unit.

Para 24.8 Disbursement of funds: In respect of SLC sanctions, after the issue of individual proceedings Issued by the Member Convener of SLC, in favour of industrial enterprises in the form prescribed under copies to the Managing Director, APSFC, the Branch Manager of APSFC / Financial Institutions which have sanctioned term loans and working capital loans and the General Manager, DIC concerned. After receipt of assignment letter and advance stamped receipt, the Commissioner of Industries shall release the subsidy amount to the individual Enterprises account through RTGS / NEFT (in whose favour assignment letter was given by the beneficiary industrial enterprise Account) and send the same to the respective Financial Institution direct under Intimation to the beneficiary. In case of industrial Enterprises which have availed any bridge loans against the anticipated subsidy, the subsidy amount shall be released first to the Financial Institution which has sanctioned and released bridge loan, to discharge the liability in full against such sanction and balance amount, if any, would be released in the manner prescribed above.	In respect of SLC sanctions **for large industries & Mega Projects**, after the issue of individual proceedings Issued by the Member Convener of SLC, in favour of industrial enterprises in the form prescribed under copies to the Managing Director, APSFC, the Branch Manager of APSFC / Financial Institutions which have sanctioned term loans and working capital loans and the General Manager, DIC concerned. After receipt of assignment letter and advance stamped receipt, the Commissioner of Industries shall release the subsidy amount to the individual Enterprises account **of large industries & Mega Projects** through RTGS / NEFT (in whose favour assignment letter was given by the beneficiary industrial enterprise Account) and send the same to the respective Financial Institution direct under Intimation to the beneficiary. In case of industrial Enterprises which have availed any bridge loans against the anticipated subsidy, the subsidy amount shall be released first to the Financial Institution which has sanctioned and released bridge loan, to discharge the liability in full against such sanction and balance amount, if any, would be released in the manner prescribed above.
Para 24.9 Disbursement of funds: In respect of DLC sanctions, the General Managers, DIC shall be forwarding the sanctions of DLCs to the Additional Director of Industries and Member-Secretary of SLC along with statement in the form prescribed, individual proceedings sanctioning after the issue of consolidated proceedings, individual proceedings are issued in favour of individual Enterprises in the form prescribed under copies to the Financial Institutions which have sanctioned term loans and working capital loans and General Manager, DIC concerned. After receipt of assignment letter and advance stamped receipt, the Commissioner of Industries shall release the subsidy amount to the individual Enterprises account through RTGS / NEFT (in whose favour assignment letter was given by the beneficiary industrial Enterprise Account). In case of industrial Enterprises which have availed any bridge	***In respect of DLC sanctions for Micro, Small and Medium enterprises, after the issue of individual proceedings Issued by the Member Convener of DLC / DIPC, in favour of industrial enterprises in the form prescribed under copies to the Commissioner of Industries / Managing Director, APSFC, the Branch Manager of APSFC / Financial Institutions which have sanctioned term loans and working capital loans after receipt of assignment letter and advance stamped receipt, the General Manager, District Industries Centre shall release the subsidy amount to the individual Enterprises account of Micro, Small and Medium Enterprises through RTGS / NEFT (in whose favour assignment letter was given by the beneficiary industrial enterprise Account) and send the same to the respective Financial***

loans against the anticipated subsidy, the subsidy amount shall be released first to the Financial Institution which has sanctioned and released bridge loan, to discharge the liability in full against such sanction and balance amount, if any, would be released in the manner prescribed above. The subsidy amount released under the scheme is treated as front end subsidy and Bank / Financial institution can only adjust the liability as on date i.e. overdue amount and release the balance amount as per the procedure in vogue and total subsidy released shall not be adjusted towards outstanding loan amount.	***Institution direct under Intimation to the beneficiary. In case of industrial Enterprises which have availed any bridge loans against the anticipated subsidy, the subsidy amount shall be released first to the Financial Institution which has sanctioned and released bridge loan, to discharge the liability in full against such sanction and balance amount, if any, would be released in the manner prescribed above.*** The subsidy amount released under the scheme is treated as front end subsidy and Bank / Financial institution can only adjust the liability as on date i.e. overdue amount and release the balance amount as per the procedure in vogue and total subsidy released shall not be adjusted towards outstanding loan amount.
Para 24.10 In respect of APSFC financed industrial Enterprises, subsidy amounts sanctioned and released shall not be credited to the Account of respective industrial Enterprises if they are sick, closed change of management taken place or sold away, change of financial institution etc. Also wherever the General Manager, DICs finds an industrial enterprise sick, closed, change of management taken place, change of financial institution etc. or for any other reason not worthy of receiving subsidy till further examination, the Managing Director, APSFC / Branch Manager, APSFC shall not disburse the subsidy to such Enterprise/industry on written intimation given to them by the General Managers DICs, or by Commissioner of Industries. In case of above two situations, the subsidy shall be disbursed only after further clearance given by the Additional Director of Industries.	Wherever the General Manager, DICs finds an industrial enterprise sick, closed, change of management taken place, change of financial institution etc, or for any other reason not worthy of receiving subsidy till further examination by the **DLC / DIPC in respect of Micro, Small and Medium Enterprise, and in respect of large industry** by the Commissioner of Industries shall not disburse the subsidy to such Enterprise / industry on written intimation given to them by the General Managers DICs. In case of above two situations, the subsidy shall be disbursed only after further clearance given by the **District Level Committee (DIPC) / State Level Committee as the case may be**.

2. The Director of Industries, Andhra Pradesh, Hyderabad shall take necessary action.

3. This order issues with the concurrence of Finance Department vide their U.O. No. 0034/03/FMU-Rev-IC/A2/2016, dt: 28.03.2016.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.S. RAWAT
SECRETARY TO GOVERNMENT & CIP

To
The Director of Industries, A.P., Hyderabad.

The Managing Director, APSFC, Hyderabad
The Accountant General, Andhra Pradesh, Hyderabad
All District Collectors in the State.
Copy to:
The Convener, State Level Banker's Committee, Andhra Bank Head Office, Secretariat Road, Saifabad, Hyderabad - 500 004.
The Pay and Accounts Officer, Hyderabad
All District Collectors in the State.
All General Managers, District Industries Centre in the State (Through DOI., A.P., Hyderabad)
The Finance (FMU-Rev-IC) Department
File No. 16776/P&I/A1/2015
SF/SC

//FORWARDED :: BY ORDER//

SECTION OFFICER